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Attorneys For Rotor Coaters International

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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	:
<b>DELPHI CORPORATION, et al.,</b>	:
	:
Debtor.	:
	:
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	:
DELPHI CORPORATION, et al.,	:
	:
Plaintiff,	:
	:
-vs-	:
	:
ROTOR COATERS INTERNATIONAL	:
	:
Defendant	:
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Case No. 05-44481(RDD)  
Chapter 11  
Hon. Robert D. Drain  
  
Adversary Proceeding  
No. 07-02767

**JOINDER IN REPLY MEMORANDA OF LAW IN SUPPORT  
OF CERTAIN MOTIONS TO (A) VACATE CERTAIN PRIOR ORDERS  
OF THE COURT; (B) DISMISS THE COMPLAINT WITH  
PREJUDICE; OR (C) IN THE ALTERNATIVE TO REQUIRE  
PLAINTIFFS TO FILE A MORE DEFINITE STATEMENT**

Defendant Rotor Coaters International, Inc. ("RCI"), by its attorneys Honigman Miller  
Schwartz and Cohn LLP, hereby joins in and adopts the following:

Reply Memorandum of Law In Support of Motions of Affinia, GKN, MSX and Valeo to: (A) Vacate Certain Prior Orders of the Court; (B) Dismiss the Complaint With Prejudice; (C) and Dismiss the Claims Against Certain Defendants Named in the Complaint; and (D) Dismiss Claims Based on Assumption of Contracts; or (E) In the Alternative to Require Plaintiffs to File A More Definite Statement; filed in Adv. Pro. No. 07-02198 and other adversary proceedings;

Reply of HP Enterprises Services, LLC and Affiliates In Support of Their Motion For An Order Dismissing the Complaint with Prejudice and Vacating Certain Orders Pursuant to Fed. R. Civ. P. 60 and Fed. R. Bankr. P. 9024, filed in Adv. Pro. No. 07-02262;

Reply of Wagner-Smith Company to Reorganized Debtors' Omnibus Response to Motions Seeking, Among Others Forms of Relief; Orders to Vacate Certain Procedural Orders Previously Entered By the Court and To Dismiss the Avoidance Actions Against the Moving Defendants, filed in Adv. Pro. No. 07-02581;

Reply and Joinder In Further Support of Motion of Johnson Controls, Battery Group, Johnson Controls GmbH & Co., KG and Johnson Controls, Inc. to: (A) Vacate Certain Prior Orders of the Court; (B) Dismiss the Complaint With Prejudice; or (C) In the Alternative to Dismiss the Claims Against Certain Defendants Named in the Complaint or To Require Plaintiffs to File a More Definite Statement, filed in Adv. Pro. No. 07-2348.

RCI further replies in support of its Joinder of Rotor Coaters International to Certain Motions to (A) Vacate Certain Prior Orders of the Court; (B) Dismiss the Complaint With Prejudice; or (C) In the Alternative to Require Plaintiffs to File a More Definite Statement (Docket 29) (the "Initial Joinder"), that Plaintiffs cannot satisfy the requirements of 11 U.S.C. §547(b)(5) because RCI was secured by right of setoff when it received the transfers. Although RCI contends RCI owed Delphi more than \$54,290 during the 90 days prior to the petition date, Plaintiffs have admitted only that RCI owed Delphi Automotive Systems LLC ("DAS") at least \$54,290 as of the petition date, on a long term note. Thus, RCI was secured by right of setoff in an amount of at least \$54,290 at the time of each transfer. *See* excerpted page of DAS' schedules attached as Exhibit A. The Court may take judicial notice of this schedule, *In re Delphi Corp.*,

2008 WL 3486615, at \*3 (Bankr. S.D.N.Y. Aug. 11, 2008); *In re Theatre Row Phase II Associates*, 385 B.R. 511, 520 (Bankr. S.D.N.Y. 2008), to determine Plaintiffs cannot prove, at least to the admitted amount of \$54,290 of each alleged transfer, that any transfer meets §547(b)(5). *See Coast Grain Co. v. Bouma Dairy*, 317 B.R. 796, 805 (Bankr. E.D. Cal. 2004) (The “transfer of property ... occurred each time [the Debtor] debited its claim against [the creditor’s] prepaid account. *At that time*, [the creditor] was potentially secured by its right of setoff pursuant to § 506(a).”) (emphasis added); *In re Mason and Dixon Lines*, 65 B.R. 973, 975 (Bankr. M.D.N.C. 1986) (Payments “were not preferences to the extent the defendant carrier had a valid right of setoff *at the time of payment*.”) (emphasis added); 4 COLLIER BANKRUPTCY PRACTICE GUIDE ¶ 64.07 (“These cases demonstrate that the need to reconstruct the situation as it existed *on the date that the payments were made* in order to determine whether the “greater amount” test has been met. If, on the date the allegedly preferential payments were made, the creditor owed money to the debtor, and the amount could have been offset against monies [sic] which the debtor owed to the creditor, the greater amount test, at least to some extent, has not been met and the trustee has not carried the burden of proof necessary to avoid the transfer.”).

For the reasons set forth herein, in RCI’s Initial Joinder and the reply memoranda submitted by the other defendants, RCI requests that this Court enter an order (i) vacating certain prior orders of the Court; (ii) dismiss the Complaint with prejudice; (iii) in the alternative, require Plaintiffs to refile; and (iv) for such other and further relief as this Court deems proper and just.

Respectfully submitted,

HONIGMAN MILLER SCHWARTZ AND COHN LLP  
Attorneys for Rotor Coaters International

By: /s/ Judy B. Calton

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Dated: July 2, 2010

DETROIT.4249877.1

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DELPHI CORPORATION, et al.,	:	
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Plaintiff,	:	Adversary Proceeding
	:	No. 07-02767
-vs-	:	
	:	
ROTOR COATERS INTERNATIONAL	:	
	:	
Defendant	:	
-----X	:	

**CERTIFICATE OF SERVICE**

I hereby certify that on July 2, 2010, I caused to be electronically filed *Joinder In Reply Memoranda of Law in Support of Certain Motions To (A) Vacate Certain Prior Orders of the Court; (B) Dismiss the Complaint With Prejudice; or (C) In The Alternative To Require Plaintiffs To File A More Definite Statement* using the ECF system which will send notification of such filing to the following:

Judy B. Calton  
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Eric Fisher on behalf of Plaintiff Delphi Corporation, et al.  
fishere@butzel.com, richarda@butzel.com

Aaron M. Silver on behalf of Defendant Rotor Coaters International  
asilver@honigman.com

The following parties were also served by First Class Mail on July 2, 2010:

Judge Robert D. Drain  
United States Bankruptcy court  
300 Quarropas St.  
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Respectfully submitted,

HONIGMAN MILLER SCHWARTZ AND COHN LLP

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